

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 130 Section 130.2135 Vending Machines</b>
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**TITLE 86: REVENUE  
PART 130  
RETAILERS' OCCUPATION TAX**

**Section 130.2135 Vending Machines**

a) Vending Machines Sales -- To Whom Taxable

Except as provided in subsection (e) of this Section, where tangible personal property is sold to users or consumers by means of vending machines, the person owning the property contained in such vending machines makes final sales of such property for use or consumption and becomes liable for Retailers' Occupation Tax.

b) When Owner of Establishment is Taxable

When vending machines are placed in an establishment, the person operating such establishment sometimes owns the articles sold through the vending machines and makes collection of the coins deposited in the machines in payment for articles so sold. Under such conditions, such person must report and pay the tax measured by his gross receipts from sales made through such vending machines.

c) When Owner of Establishment is Not Taxable

However, if the person operating such establishment has no control over or right of access to the articles in vending machines located on his premises, and if he has no access to the gross receipts in such machines and no right to remove such receipts without the consent of the owner of such machines, he will not be considered to be the owner of the articles sold through such vending machines and so will not be the person who incurs Retailers' Occupation Tax liability with respect to such vending machine sales.

d) When Person Other Than Owner of Establishment is Taxable

When someone other than the owner of the establishment owns the property that is sold through the vending machines, such owner of such property is liable for tax measured by his gross receipts from such sales, without deducting from such receipts any amounts paid as commission.

e) Exemption for Bulk Sales of Merchandise From Vending Machine

Effective July 27, 1971 through December 31, 2001, the sale of merchandise from a bulk vending machine for 1¢ is exempt from the Retailers' Occupation Tax. On and after January 1, 2002, the sale of merchandise from a bulk vending machine for 50¢ or

less is exempt from the Retailers' Occupation Tax. Prior to January 1, 2002, "bulk vending machine" means a nonelectrically operated vending machine, containing unsorted confections, nuts or other merchandise which, when a coin of denomination not larger than 1¢ is inserted, are dispensed in equal portions, at random and without selection by the customer. On and after January 1, 2002, "*bulk vending machine*" means a *vending machine, containing unsorted confections, nuts, toys, or other items designed primarily to be used or played with by children which, when a coin or coins of a denomination not larger than \$0.50 are inserted, are dispensed in equal portions, at random and without selection by the customer.* (Section 1 of the Act)

(Source: Amended at 26 Ill. Reg. 5369, effective April 1, 2002)